GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:2355
ANSWERED ON:16.08.2011
GRANT-IN-AID FOR WAREHOUSES
Tomar Shri Narendra Singh

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the reasons for rotting of wheat and other foodgrains in Government godowns in various parts of the country;

(b) whether the Government has discontinued the grant-in-aid scheme for promoting warehouse construction to preserve these foodgrains;

(c) if so, the details thereof and the reasons therefor;

(d) whether the Government proposes to restart the said scheme; and

(e) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a): Foodgrains including wheat get damaged during storage due to various reasons such as pest attack, leakages in godowns, procurement of poor quality stocks, spillage during movement and handling of stocks, exposure to rains, floods, negligence on the part of concerned persons in taking precautionary measures etc.

(b), (c), (d) & (e): The Government gives grants in aid only to the State Governments of North East States, including Sikkim and Jammu & Kashmir for construction of storage godowns, to meet their storage requirement. For augmenting the covered storage capacity for storage of Central Pool stocks, the Government has formulated a scheme for construction of storage godowns through private entrepreneurs, Central Warehousing Corporation (CWC) and State Warehousing Corporations (SWCs). Under the scheme, capacity of about 152.79 lakh tons is planned in 19 States through private entrepreneurs and Central and State Warehousing Corporations.

The Government of India has also launched "Grameen Bhandaran Yojana" with effect from 01.04.2001. The main objectives of the scheme include creation of scientific storage capacity with allied facilities in rural areas to meet out various requirements of farmers for storing farm produce, processed farm produce, agricultural inputs etc. and prevention of distress sale.

At present subsidy @ 25% is being given to all categories of farmers, agriculture graduates, cooperatives and CWC/SWCs. All other categories of individual companies and corporations are being given subsidy @15% of the project cost. In case of NE States/hilly areas and SC/ST entrepreneurs and their cooperatives and women farmers, subsidy shall be 33.33%. The scheme will continue during the whole period of XI Plan with a target of 90 lakh tons and a budget allocation of Rs.400 crores.

Since inception of the scheme with effect from 01.04.2001 and upto 31st May 2011, 24,942 godowns having a capacity of 284.31 lakh tons with a subsidy release of Rs.732.23 crores have been sanctioned by NABARD & National Cooperatives Development Corporation (NCDC) all over the country.